

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

INVESTMENT COMMITTEE

August 18, 2008

9:30 a.m.

Robert F. Carlson Auditorium
Lincoln Plaza North
400 Q Street
Sacramento, CA

COMMITTEE MEMBERS

George Diehr, Chair
Priya Mathur, Vice Chair
Marjorie Berte
John Chiang
Rob Feckner
David Gilb
Henry Jones
Bill Lockyer
Louis F. Moret
Tony Oliveira
Anne Sheehan
Kurato Shimada
Charles Valdes

CLOSED SESSION 9:00 a.m.
Chief Investment Officer's Briefing on Market and Personnel Issues
(Government Code sections 11126(a)(1) and (c)(16))

OPEN SESSION 9:30 a.m.

CLOSED SESSION Upon Adjournment or Recess of Open Session
(Government Code section 11126(c)(16) and 11126(g)(1))

AGENDA

OPEN SESSION

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| | 1. Call to Order and Roll Call |
| Action | 2. Approval of the June 16, 2008 Open Session Minutes |

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| Action / Policy Subcommittee
Chair Jones | 3. Policy Subcommittee Report |
| Information / CEM
Information / Farouki Majeed | 4. Total Fund <ul style="list-style-type: none">a. Cost Effectiveness Measurement (CEM) Reportb. Risk Management Reporting |
| Information / Ted Eliopoulos | 5. Real Estate <ul style="list-style-type: none">a. REIT Manager Annual Review |
| Information | 6. Alternative Investments Management (AIM)
Program |
| Information / Farouki Majeed
Action / Farouki Majeed | 7. Inflation-Linked Asset Class (ILAC) <ul style="list-style-type: none">a. Implementation Updateb. Revision of Delegation Resolution for SIO-Asset Allocation |
| Information / Curtis Ishii | 8. Global Fixed Income <ul style="list-style-type: none">a. Member Home Loan Program Update |
| Information / Eric Baggesen
Information / Eric Baggesen | 9. Global Equity <ul style="list-style-type: none">a. Environmental Manager Annual Reviewb. Corporate Governance Investment Program Performance Reviewc. Wilshire Study on CalPERS Corporate Governance Programd. Consultant Review of Internal Risk Managed Absolute Return Strategies (RMARS) Programe. Trading Process Enhancementsf. Corporate Governance Update |
| Information / Wilshire Associates | |
| Information / Wilshire Associates | |
| Information / Eric Baggesen
Information | |
| Information / Geraldine Jimenez | 10. Supplemental Income Plans (SIP) <ul style="list-style-type: none">a. Revisions to Investment Line-Up |
| Information / Anne Stausboll
Information / Anne Stausboll | 11. Chief Investment Officer's/Chief Operating Investment Officer's Report <ul style="list-style-type: none">a. Consolidated Investment Activity Reportb. Chief Operating Investment Officer's Status Report |
| Action / Anne Stausboll | 12. Proposed 2009 Investment Committee Meeting Dates |
| Information | 13. Draft Agenda for September 15, 2008 |
| | 14. Public Comment |

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Subcommittee meeting held immediately prior to this meeting may be reported on or presented to the Investment Committee for its consideration.

AGENDA

CLOSED SESSION

Upon Adjournment or Recess of Open Session

(Government Code section 11126(c)(16))

(Government Code section 11126(g)(1) [Item 12 only])

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| | 1. Call to Order and Roll Call |
| Action | 2. Approval of the June 16, 2008 Closed Session Minutes |
| Information / Ted Eliopoulos
Information / Ted Eliopoulos
Information / Ted Eliopoulos | 3. Real Estate
a. Portfolio Sector Update
b. Strategic Plan Implementation Update
c. Investment and Diversification in Emerging Market Real Estate |
| Information | 4. Alternative Investments Management (AIM) Program |
| Information | 5. Inflation-Linked Asset Class (ILAC) |
| Information | 6. Global Fixed Income
a. External Manager Update |
| Information
Information | 7. Global Equity
a. External Manager Update
b. Corporate Governance Update |
| Information | 8. Supplemental Income Plans
a. External Manager Update |
| Information / Anne Stausboll | 9. Chief Investment Officer's/Chief Operating Investment Officer's Report
a. Status of Action Items Not Yet Reported |
| Information / Anne Stausboll | 10. Activity Reports
a. Alternative Investments Management
b. Real Estate
c. Risk Managed Absolute Return Strategies
d. Public Markets |
| Information / Chris O'Brien | 11. Chief Investment Officer Recruitment |